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BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001 SEP 26 4 45 PM '97

POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS ALEXANDROVICH TO INTERROGATORIES OF DIRECT MARKETING ASSOCIATION, INC. (DMA/USPS-T5-8-9)

The United States Postal Service hereby provides responses of witness

Alexandrovich to the following interrogatories of Direct Marketing Association, Inc.:

DMA/USPS-T5-8-9, filed on September 12, 1997.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990; Fax –5402 September 26, 1997

Response of United States Postal Service Witness Alexandrovich to Interrogatories of DMA

DMA/USPS-T5-8. Please refer to your response to DMA/USPS-T4-30 in which you confirm that "the deferability of nonpref mail lowers peak load costs." Please describe and provide all data detailing the extent of peak load costs which are reduced due to the deferability of (i) nonpref mail, in general and (ii) Standard A mail, in particular.

Response to DMA/USPS-T5-8

The data detailing the extent of peak load costs which are reduced due to the deferability of nonpreferential mail, in general, and Standard A mail, in particular, are provided in my Workpaper A-2, pages 1-4 and in my Workpaper B-3, Worksheet 3.0.13. A description is provided in my responses to DMA/USPS-T4-27, DMA/USPS-T4-37 and OCA/USPS-T12-61.

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Response of United States Postal Service Witness Alexandrovich to Interrogatories of DMA

DMA/USPS-T5-9. Please refer to your responses to DMA/USPS-T4-28 and DMA/USPS-T4-33. Please confirm that the Postal Service has not conducted any studies since the R87-1 filing analyzing mail processing marginal cost differences between pref and nonpref mail. If not confirmed, please explain fully.

Response to DMA/USPS-T5-9

Not confirmed. The Postal Service has done work on the mail processing marginal cost differences between pref and nonpref mail since R87-1 as reflected in the Docket No. R90-1 testimony of witness Smith, USPS-T-8. Work in this area also is detailed in the papers by Postal Service consultants and staff listed in my response to DMA/USPS-T4-28a.

DECLARATION

I, Joe Alexandrovich, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Dated: 9/24/97

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Susan M. Duchek

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